

Session 13-11, a Regular Meeting of the Homer City Council was called to order on May 13, 2013 at 6:00 p.m. by Mayor Pro Tempore Francie Roberts at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, HOWARD, LEWIS,
ROBERTS, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
PERSONNEL DIRECTOR PETERSEN
POLICE CHIEF ROBL
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Mayor Wythe has requested excusal.

Council met for a Worksession from 4:02 p.m. to 4:47 p.m. to discuss Fishin' Hole Subdivision Lot 2, Tract 1-A, KPB Parcel 181-03-117. Council met as a Committee of the Whole from 5:02 p.m. to 5:50 p.m. to hear the auditor's report from Michelle Drew, Mikunda, Cottrell, & Co., **Memorandum 13-068**, from Community & Economic Development Coordinator, Re: Capital Improvement Plan Schedule for 2014 - 2019 & FY 2015 Legislative Requests, and discuss Consent Agenda and Regular Meeting Agenda items.

Department Heads may be called upon from time to time to participate via teleconference.

AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was amended to include the following changes:

CONSENT AGENDA - **Ordinance 13-17(S)**, An Ordinance of the City of Homer, Alaska, Making Technical Corrections to the Homer City Code Before its Republication by Code Publishing, Inc. City Clerk. **Resolution 13-044(S)**, A Resolution of the Homer City Council Authorizing the Formation of the Webber Subdivision Road Reconstruction and Paving Special Assessment District and Authorizing the City Manager to Proceed with the Preparation and Construction of the Project. City Clerk. Objection to Special Assessment District. **PUBLIC**

HEARINGS - Ordinance 13-11(A), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code §21.03.040 to Add a Definition of Lodging; Amending Homer City Code §§21.28.020, 21.28.030, 21.28.040 and 21.28.070, Regarding the Marine Commercial Zoning District; Amending Homer City Code §§21.30.020, 21.30.030, 21.30.040 and 21.30.070, Regarding the Marine Industrial Zoning District; and Adopting Homer City Code §21.50.040, Site Development Standards - Level 3, to Implement the Homer Spit Comprehensive Plan. Planning. Written public comments. **Ordinance 13-12(S)**, An Ordinance of the City Council of the City of Homer, Alaska, Amending the Homer City Zoning Map to Rezone Portions of the Marine Industrial (MI) Zoning District to Conservation (CONS), Marine Commercial (MC) and Open Space Recreational (OSR), and Amending the Homer City Zoning Map to Rezone a Portion of the Open Space Recreational (OSR) Zoning District to Marine Industrial (MI), to Implement the 2010 Homer Spit Plan. Planning. **CITY ATTORNEY REPORT** - City Attorney Report, April 2013. **RESOLUTIONS - Resolution 13-047(S)**, A Resolution of the Homer City Council Awarding the Contract for Homer Restroom Facilities Improvements 2013 to the Firm of Steiner's North Star Construction, Inc. of Homer, Alaska, in the Amount of \$949,141 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Memorandum 13-071 from Public Works Project Manager as backup.

Visitors Michelle Drew and Linda Anderson were moved to be heard right after Agenda Approval.

The agenda as amended was approved by consensus of the Council.

VISITORS

A. Michelle Drew, Mikunda, Cottrell & Co., Inc., Auditor's Report

Michelle Drew of Mikunda, Cottrell & Co., Inc. provided an overview of the 2012 audit. The audit was clean and unqualified, which translates to the best report card from an auditor. The City spent \$2.1M in federal grants and \$3.1M in state grants. One significant deficiency was reported in internal control associated with the grant management programs. Certain costs associated with a water project were inadvertently charged to a sewer project. Rectification of that situation was made to move the cost back to sewer and no money was paid back to the State. The general fund balance was reduced by \$639,000 after posting transfers to the reserves and the capital projects funds. Before transfers, the general fund had a positive increase of \$530,000. Property taxes, grants, and charges for services were slightly higher than the previous year. Two exceptions to the budget were legal fees and PERS, but otherwise costs were contained within the budget approved in the general fund. A net reduction of \$140,000 was reported in the water and sewer fund. User charges covered day to day operations and the dedicated sales tax covered debt service costs. Capital costs continue to exceed revenue sources coming in. The fund needs to be watched for the future. The City's sole enterprise fund, the port fund, included significantly higher revenues in 2012 to cover day to day operations plus a portion of depreciation. Currently there is no debt, but that is up for consideration in the future. The port fund needs to be watched

if debt is approved. Numerous other small funds, mostly grant, are set aside for future repairs and maintenance. Overall it was an okay year and the City is on target with the budget, revenues and expenses. The audit report, a clean unqualified opinion, will be submitted to the Government Finance Officers Association for its award program for excellence in financial reporting. The City's financial statement has won that award for numerous years in the past. Ms. Drew appreciates the City's business and the hard work of city employees for helping them complete the audit.

B. Linda Anderson, Lobbyist Report

Linda Anderson, Anderson Group, reported a successful year for Homer. Securing funds for the harbor was no small task. Administration stepped up to help make it possible, with Walt and Katie on it. There is a lot going on at the harbor and a lot more to do. She is looking forward to the capital projects and more dialogue with legislators to know and love Homer. Times will get challenging as budgets get tighter. It has happened before and we will have to rise to that occasion and prevail.

The bill on low interest loans for converting to natural gas was set aside until the next session. Mrs. Anderson believes there is agreement to find a funding source next year. Anderson Group worked to get the PERS/TERS cost study legislation bill introduced. The accounts are immensely unfunded. They made a lot of progress in getting the legislation on board and will continue working to get municipalities on board. All legislation on the table this year carries over to next year. The low interest loans for converting to natural gas, PERS/TERS, and Workers' Compensation will be before legislation next year. Workers' compensation rates are skyrocketing and hitting municipalities and everyone in their path.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Angie Newby, city resident and Public Arts Committee member, thanked Council for their strong support of the Baycrest Hill Overlook Interpretive Plan. The City's \$3,000 contribution was worthwhile in the design process.

George Matz was allowed to comment on Ordinance 13-11(A). He voiced concern for aircraft on the Spit due to large birds. Gulls and eagles fly up and down the Spit foraging and it is a bad situation to have a heliport there.

RECONSIDERATION

CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Regular meeting minutes of April 22, 2013. City Clerk. Recommend adoption.
- B. **Memorandum 13-060**, from Mayor Pro Tempore, Re: Appointment of Mike Barth to the Economic Development Advisory Commission.
- C. **Ordinance 13-17**, An Ordinance of the City of Homer, Alaska, Making Technical Corrections to the Homer City Code Before its Republication by Code Publishing, Inc. City Clerk. Recommended dates: Introduction May 13, 2013, Public Hearing and Second Reading May 28, 2013.

Ordinance 13-17(S), An Ordinance of the City of Homer, Alaska, Making Technical Corrections to the Homer City Code Before its Republication by Code Publishing, Inc. City Clerk.

Memorandum 13-061 from City Attorney as backup.

- D. **Ordinance 13-18**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Commercial Vessel Passenger Tax Program Pass Through Grant from the Kenai Peninsula Borough for FY 2012 in the Amount of \$21,710.00, and Authorizing the City Manager to Execute the Appropriate Documents. City Manager. Recommended dates: Introduction May 13, 2013, Public Hearing and Second Reading May 28, 2013.
- E. **Resolution 13-042**, A Resolution of the City Council of Homer, Alaska, Amending the Homer Advisory Planning Commission Bylaws. Planning. Recommend adoption.

Memorandum 13-062 from City Planner as backup.

- F. **Resolution 13-043**, A Resolution of the City Council of Homer, Alaska Accepting and Approving the Baycrest Overlook Interpretive Master Plan Submitted by the Public Arts Committee for the Improvement and Renovation of the Baycrest Hill Scenic Overlook and Rest Area. City Clerk/Public Arts Committee. Recommend adoption.
- G. **Resolution 13-044**, A Resolution of the Homer City Council Authorizing the Formation of the Webber Subdivision Road Reconstruction and Paving Special Assessment District

and Authorizing the City Manager to Proceed with the Preparation and Construction of the Project. City Clerk. Recommend adoption.

Resolution 13-044(S), A Resolution of the Homer City Council Authorizing the Formation of the Webber Subdivision Road Reconstruction and Paving Special Assessment District and Authorizing the City Manager to Proceed with the Preparation and Construction of the Project. City Clerk.

Moved to Resolutions.

H. **Resolution 13-045**, A Resolution of the Homer City Council Electing to Participate in the AMLJIA Loss Control Incentive Program for the City of Homer for the 2012-2013 Policy Year. City Manager/Finance. Recommend adoption.

I. **Resolution 13-046**, A Resolution of the Homer City Council Awarding the Contract to Conduct a Study on the Port and Harbor Rate Fee Structure and the Economic Impact of Mooring a MODU (Mobile Offshore Drilling Unit) at the Port of Homer's Deep Water Dock to the Firm of Northern Economics of Anchorage, Alaska, in the Amount of \$19,878.00 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Recommend adoption.

Memorandum 13-066 from Port and Harbor Director as backup.

J. **Memorandum 13-068**, from Community & Economic Development Coordinator, Re: Capital Improvement Plan Schedule for 2014 - 2019 & FY 2015 Legislative Requests.

Resolution 13-044 & 13-044(S) were moved to be heard under Resolutions.

Mayor Pro Tempore Roberts called for a motion for the adoption of the consent agenda as amended.

BURGESS/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- The Rasmuson Foundation has funded \$16,000 for the Seldovia recreational area kitchen improvements.
- The Anadromous Fish Habitat Task Force has finished nine months of work and their recommendations will go before the Assembly the end of June.

It is budget time at the Borough. Total revenues are \$71,969,000, up \$200,000 from the previous year. Revenues from the State and Federal government are down \$1.5M. Assessed values are up by 1.5%; counting oil and gas assessments they are up 3.9%. Sales tax is anticipated at \$30M, 25% from tourists. Property tax is \$33M. The fund balance is projected at \$21,439,000; that is \$500,000 less than last year. Funding for the school district is \$43.5M, \$500,000 more than funded last year.

F. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission

Dave Brann, Parks and Recreation Advisory Commissioner, reported 70 volunteers were scheduled for the clean-up day at Karen Hornaday Park and Bayview Park. The clean-up was postponed due to untimely snow. The commission voted to disband the Kachemak Drive Path Committee on April 22 and forwarded a request to Administration to ask police to provide monitoring at Kachemak Drive digital speed signs.

The commission is recommending a MOA with Little League to clarify areas of responsibility. In the past there has been a handshake understanding. Entrance gates to Karen Hornaday Park need removal and relocation. One gate is stuck in the mud and will not close. The Commission supports dedicating a ball field at Jack Gist Park for Paula Setterquest and acknowledging the original donation of land of Karen Hornaday Park by Mae Harrington. Other business includes a \$100 authorization to support the new trails map, developing a dog park to exercise dogs off leash, and a new pavilion at Karen Hornaday Park.

5. Port and Harbor Advisory Commission

G. Thank you from Kachemak Heritage Land Trust and Bunnell Street Arts Center for Grants through The Homer Foundation.

H. Thank you from Pratt Museum for City's contribution.

PUBLIC HEARING(S)

A. WEBBER SUBDIVISION ROAD RECONSTRUCTION AND PAVING SPECIAL ASSESSMENT DISTRICT

Mayor Pro Tempore Roberts opened the public hearing.

Thomas McDonough, city resident, commented the initial vote of homeowners was based on property values, with more modest homeowners having less of a say. There is better use of city funds than putting in a dead end road. Nine properties on the project already have road improvements and don't remember paying for it. He suggested a more equitable distribution of costs. He expressed concern his trees would be disturbed with the gas line.

Carol Renfrew, city resident, initiated the Special Assessment District. It was a long, confusing, and disturbing process since it was changed along the way. They are one of the nine properties that have improved road. Paving will improve property values and make it a nicer place to live.

Mayor Pro Tempore Roberts called for a recess at 6:56 p.m. and reconvened the meeting at 6:59 p.m.

Asked about the process for forming a Special Assessment District, Attorney Klinkner advised there are two votes. The petition is based on the value of the properties supporting the improvement. In the second step if there are objections that bear more than 50% of the cost of the improvement, it will not proceed.

Public Works Director Meyer commented the first step in the process is to give more vote to higher valued property. People who own a house and live in the neighborhood have more say than a vacant lot. There are nine lots at the end of the project that were subdivided after the first portion of the project. That subdivision was created through a subdivision agreement where the developer was expected to bring the road up to road standards. It was paid by the developer and included in the cost of the lots. Enstar's surveyor has staked the gas line and they intend to get the gas line installed prior to paving. All improvements are in the street right-of-way and Enstar will minimize the impact to existing trees.

Mayor Pro Tempore Roberts closed the public hearing.

B. Ordinance 13-11(A), An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code §21.03.040 to Add a Definition of Lodging; Amending Homer City Code §§21.28.020, 21.28.030, 21.28.040 and 21.28.070, Regarding the Marine Commercial Zoning District; Amending Homer City Code §§21.30.020, 21.30.030, 21.30.040 and 21.30.070, Regarding the Marine Industrial Zoning District; and Adopting Homer City Code §21.50.040, Site Development Standards - Level 3, to Implement the

Homer Spit Comprehensive Plan. Planning. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Memorandums 13-053 and 13-070 from City Planner as backup.

Mayor Pro Tempore Roberts opened the public hearing.

Roberta Highland, city resident and representing herself, supports the ordinance, with the exception of re-allowing heliports along the Spit. Heliports are allowed with a conditional use permit, with exception to the GC2 district where they are permitted outright. She wants to have heliports remain at the airport. It is the safest place to have them due to noise and potential safety incidences with birds and people.

Dave Rush, city resident and owner of Homer Air, opposes heliports on the Spit citing noise and safety issues. It will give current operators a disadvantage. They work throughout the year employing their employees, and wait for the summer to help them get through the winter. He asked where it stops. Do they get to land airplanes on the Spit too?

Eric Lee, Homer resident and pilot, had an idea for a business on the Spit to land a helicopter in a safe area and do flightseeing over the Kachemak State Park. He wants to keep the conditional use permit to address everyone's concerns. Homer wants more tax revenue. Helicopters have been allowed for the last 10-12 years; helicopters have been on the Spit not that long ago. The Spit Comprehensive Plan calls for commercial activities. The business will create local employment, bring more business to the Spit, and offer more attractions for visitors. He referenced the Kachemak Bay Conservation Society's letter.

Councilmember Lewis suggested Mr. Lee have an office on the Spit and take people back and forth.

Mr. Lee commented it was more expensive to be on the airport and very tight for property. Fixed wing operators use the T-hangers. Bald Mountain paid \$250,000 for gravel to bring the location up to grade. Other fixed wing operators have office space open to the public. For a new operation to go to the airport is very costly. He can address all concerns about the dangers of landing and birds.

Jackie Dentz, city resident and private pilot, commented we have an airport and that's where the activities should be. There are winds on the Spit and things can get out of control. It is a congested area. She holds no animosity towards anyone starting a business, but we already have a vehicle in place.

Deb Mosley, employed by Pathfinder Aviation, is an airline transport pilot of fixed wing and helicopters. She has seen float planes operate in the harbor and planes land on the Spit. Hundreds of beaches in the area are suitable for landing. It is a good thing for Homer businesses and convenient for customers. The noisiest airplanes are the Cessna 206 that fly up and down the Spit at least 50 times a day. The helicopter Eric is proposing to use is extremely quiet.

Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-11(A) by reading of title only for second and final reading.

LEWIS/BURGESS – SO MOVED.

Councilmember Howard noted generally ordinances are designed for public policy, not to accommodate certain business plans. She will be objecting to Ordinance 13-11(A) and 13-12 due to the process. In the packet there are 100 pages of vetted backup material from the City Planner and Planning Commission. In a whim we change things when someone comes and speaks.

Councilmember Burgess takes responsibility for bringing the amendment to the floor. The role of government should be limited to a clear public mandate and discussion. There are many good, sound, and practical reasons why heliports should be limited to certain areas. He doesn't like the idea of heliports on the Spit. It is the idea that we can envision every possible outcome and limit an activity outright when there is a conditional process already without public discussion. There is already a process in place to review the activity and see if it is safe and reasonable. It has been on the books for 10 years. The most frustrated emails he receives are from people interfacing with the code. We should not limit something outright without a deliberative and thoughtful process.

Mayor Pro Tempore Roberts noted the city code defines heliports as any airports, fields, or rooftops where helicopters regularly land and take off. It also includes places where helicopters are stored and serviced. She doesn't want to see that on the Spit. She has no problem in a safe place where they land and take off with tourists. The airport is more appropriate for a service area. The ordinance as written did not prohibit landings and take offs if they followed FAA regulations.

Councilmember Burgess commented the Spit addresses recreational needs. There are also industrial and commercial activities on the Spit. There may be a viable reason for a business to run a helicopter on the industrial portion of the Spit. Operators say it is a competitive advantage and others say the concerns will be addressed through the CUP process. Council needs to be careful about limiting uses because it doesn't fit with our idea.

Councilmember Lewis commented he has no problem with helicopters landing and taking off on the Spit. There is a high noise level at the lake with planes taking off and landing and they have to worry about the birds. He is not in favor of storing helicopters on the Spit. We could take off heliports and allow the landing and taking off of helicopters on the Spit not closer than 200 feet from campgrounds or commercial buildings.

LEWIS/ROBERTS - MOVED TO AMEND TO ELIMINATE THE WORD HELIPORT AND PUT IN HELICOPTER TAKE OFFS AND LANDINGS ARE ALLOWED AS LONG AS THEY ARE MORE THAN 200 FT. FROM ANY CAMP GROUND OR COMMERCIAL ENTERPRISE.

Councilmember Burgess noted the goal should be to address the long-term. He does not want to change the code from where it currently stands. He suggested sending it back to the Planning Commission.

Mayor Pro Tempore Roberts stated the Planning Commission did spend a lot of time addressing it and one of their recommendations was to eliminate heliports. There are several places you can have heliports in the city.

Councilmember Burgess commented the Planning Commission made broad sweeping changes to bring the code more in line with what it already did.

City Attorney Klinkner advised heliport is a defined term and there is no reason why you can't define or describe a similar use.

City Manager Wrede advised Council to be careful since the FAA has their own rules and definition of heliports. They have their own rules about the space from buildings and people.

City Planner Abboud commented there may be safe ways to land and take off. You can land a helicopter on the Spit. A heliport is a place designated with a regular schedule to take off from this spot. It is a use. We can't deal with all the code, just the Spit. We have not heard from anyone wanting a heliport. If a business owner came and left from the same place all the time, it would require a CUP for a heliport. It is not about the occasional landing and take offs.

VOTE: NO. ROBERTS, DOLMA, ZAK, HOWARD, BURGESS, LEWIS

Motion failed.

HOWARD/ROBERTS - MOVED TO ELIMINATE FLIGHTSEEING ON LINE 32.

Councilmember Howard is still holding to her position as to the process. The Planning Commission has done a good job and suggested we have this as a permitted use.

VOTE: NO. LEWIS, ROBERTS, DOLMA, ZAK, HOWARD, BURGESS

Motion failed.

HOWARD/ROBERTS - MOVED TO ELIMINATE THE WORD HELIPORT ON LINE 73.

There was discussion on moving the ordinance back to its original intent.

VOTE: YES. HOWARD

VOTE: NO. BURGESS, LEWIS, ROBERTS, DOLMA, ZAK

Motion failed.

DOLMA/HOWARD – MOVED TO AMEND 13-11(A) BACK TO THE ORIGINAL ORDINANCE 13-11.

There was no discussion.

VOTE: YES. HOWARD, ROBERTS, DOLMA

VOTE: NO. BURGESS, LEWIS, ZAK

Motion failed.

VOTE: (Ordinance 13-11(A)) YES. BURGESS, LEWIS, ROBERTS

VOTE: NO. ZAK, HOWARD, DOLMA

Motion failed.

ZAK/BURGESS – MOVED FOR IMMEDIATE RECONSIDERATION.

Councilmember Burgess asked that Council still pass the ordinance that includes other important provisions. The Planning Commission spent a lot of time on it.

City Manager Wrede agreed, noting it was implementing the Spit Comprehensive Plan that Council adopted.

VOTE: YES. DOLMA, ZAK, HOWARD, BURGESS, LEWIS, ROBERTS

Motion carried.

DOLMA/HOWARD - MOVED TO POSTPONE TO THE NEXT MEETING.

Councilmember Dolma noted we won't have a tie vote then if everyone is present.

Councilmember Burgess stated the ordinance had nothing to do with heliports. It had a lot of housekeeping for the Planning Commission. Someone showed interest in heliports so why throw away all the rest of the work within the ordinance? We should proceed so the Spit tourists and business people know what is expected of them before we go into the season.

Councilmember Howard expressed opposition against postponement.

VOTE: YES. DOLMA

VOTE: NO. ROBERTS, ZAK, HOWARD, BURGESS, LEWIS

Motion failed.

Councilmember Dolma commented the Planning Commission may not have had a chance for an in-depth study for heliports, railroads, and pipelines. It is a ridiculous argument that nobody has ever asked so maybe we should have it because one person asks. We could micromanage this to death. The commission put a lot of time into it and he will respect the time they put into it.

Councilmember Burgess stated that was his argument. Why would we arbitrarily ban an activity in light of good reason to the contrary? Council's goal is to ensure rights and freedoms and access unless it impinges upon someone else. We may want to run a pipeline on the Spit. Why would we say no unless we at least considered it? A person will still have to come to the Planning Commission and go through the process. We should be cautious about banning an activity outright.

VOTE: YES. LEWIS, ROBERTS, ZAK, HOWARD, BURGESS

VOTE: NO. DOLMA

Motion carried.

C. **Ordinance 13-12**, An Ordinance of the City Council of the City of Homer, Alaska, Amending the Homer City Zoning Map to Rezone Portions of the Marine Industrial (MI) Zoning District to Conservation (CONS), Marine Commercial (MC) and Open Space Recreational (OSR), and Amending the Homer City Zoning Map to Rezone a Portion of the Open Space Recreational (OSR) Zoning District to Marine Industrial (MI), to

Implement the 2010 Homer Spit Plan. Planning. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Ordinance 13-12(S), An Ordinance of the City Council of the City of Homer, Alaska, Amending the Homer City Zoning Map to Rezone Portions of the Marine Industrial (MI) Zoning District to Conservation (CONS), Marine Commercial (MC) and Open Space Recreational (OSR), and Amending the Homer City Zoning Map to Rezone a Portion of the Open Space Recreational (OSR) Zoning District to Marine Industrial (MI), to Implement the 2010 Homer Spit Plan. Planning.

Memorandum 13-054 from City Planner as backup.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion to substitute Ordinance 13-12(S) for Ordinance 13-12.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-12(S) by reading of title only for second and final reading.

LEWIS/BURGESS - SO MOVED.

Asked by Councilmember Dolma about the rezone of the parking lot at the end of the Spit, City Planner Abboud referenced Exhibit F. The lot will go from Marine Industrial to Marine Commercial, allowing parks. The area was split lot zoning that was cleaned up.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

D. **Ordinance 13-13**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Online With Libraries (OWL) Grant from the Alaska State Library in

the Amount of \$5,906.00 for the Purpose of Acquiring Two Early Literacy Stations and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-13 by reading of title only for second and final reading.

LEWIS/DOLMA – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

E. **Ordinance 13-14**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2013 Operating Budget by Appropriating \$54,416.00 from the Port and Harbor Reserve Fund for Repairs to Deep Water Dock, Pioneer Dock, Fish Dock, C Float, and the Outfall Line. City Manager/Port and Harbor Director. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Memorandum 13-056 from Port and Harbor Director as backup.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-14 by reading of title only for second and final reading.

HOWARD/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- F. **Ordinance 13-15**, An Ordinance of the City of Homer, Alaska, Authorizing Harbor Revenue Bonds of the City to be Issued in Series to Finance Harbor Improvements; Creating a Lien Upon Net Revenue of the Harbor for the Payment of the Bonds; and Establishing Covenants of the City Related to the Bonds. City Manager. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-15 by reading of title only for second and final reading.

LEWIS/DOLMA - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- G. **Ordinance 13-16**, An Ordinance of the City of Homer, Alaska, Authorizing the Issuance and Sale of a Series of Harbor Revenue Bonds by the City in the Principal Amount Not to Exceed \$4,200,000 for the Purpose of Financing the Design, Construction, and Acquisition of Harbor and Related Capital Improvements; Establishing the Terms of the Bonds; and Authorizing the Sale of the Bonds. City Manager. Introduction April 22, 2013, Public Hearing and Second Reading May 13, 2013.

Mayor Pro Tempore Roberts opened the public hearing. In the absence of public testimony, Mayor Pro Tempore Roberts closed the public hearing.

Mayor Pro Tempore Roberts called for a motion for the adoption of Ordinance 13-16 by reading of title only for second and final reading.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ORDINANCE(S)

CITY MANAGER'S REPORT

A. City Manager's Report

1. Memorandum 13-067 from Personnel Director, Re: Report from the Personnel Office.

1. Trip Report: On Thursday and Friday, May 2 and 3, I was up in Anchorage working on several City projects and priorities. On Thursday, the Board of Directors for the Alaska Municipal Bond Bank had its meeting. I am happy to report that the Board approved the City's bond sale application for the harbor projects. The actual sale and closing takes place in June. So we are right on schedule. The Board appeared impressed with the City's fiscal planning and management in preparation for the bond sale. On Friday I had several meetings at the DOT/PF regional office. I met with the Regional Director to discuss the conditional of Lake Street and Pioneer Avenue and their status as STIP projects. The primary focus of the meeting was to be sure the Lake Street rehabilitation project does not slide any further. Later, I got together with the regional planners to talk about implementation of the recently approved TORA on the Deep Water Dock. There are several programmatic steps we must take to get that project rolling.
2. Budget Amendment Ordinance / Gas Conversions for City Buildings: At the next meeting, expect to see a budget amendment ordinance that appropriates funds to pay for service lines, meters, conversion costs estimates, conversion costs, and possible assessments for a variety of City owned buildings.
3. Lillian Walli Estates Assessment District: As you know, the City staff is working on this project with the property owners to see if an assessment district that works can be developed. A City sponsored meeting with the property owners has been scheduled. One thing that needs to be discussed is whether the City will subsidize the SAD or provide matching funds, like it does in other water, sewer, and road, LIDs. The Administration has always assumed that the property owners would pay 100% of the costs, since those costs are normally the responsibility of the developer and in this case, the developer did not perform under the subdivision agreement. However, we are aware that some Council members might be interested in talking about City support since this subdivision agreement is well over 20 years old and the City has an interest in seeing this project move forward. Another component to this discussion is the fact that a mistake was made when the petition letters went out. The letters stated that the City would provide a match and this may have affected the vote. If the Council decides it is not appropriate to provide a match, this petition process would likely need to start over. Finally, at the last meeting I told you that the SAD had very strong support from the property owners. After further review, it turns out that support was at about 59%.
4. Pedestrian Safety: The Council recently received a letter from a concerned citizen who often walks or bikes around town and to and from work. The City can't do much about sand and gravel sweeping on state roads and state maintained bike lanes. However, PW has been working hard to sweep City streets, sidewalks and bike paths and I think they have been doing an excellent job. We have received lots of thank you notes this year,

- especially about Pioneer Avenue and the Spit Trail. I believe we can do more on public education, painting cross-walks, and enforcing the law regarding pedestrians. We will ramp up that effort where we can.
5. Disk Golf: I am aware that Council members are receiving complaints from property owners who live next to the disc golf course at Jack Gist Park. We have contacted the Jack Gist Park Association and the Disc Golf Association and asked them to remind folks about park hours and proper etiquette. The message is that users will have to police themselves and make sure that the privacy and property of local residents is respected.
 6. HERC Building: At the Council's recent workshop on the future of the HERC Building, the possibility of putting something on the October ballot was mentioned several times. Advisory votes and votes on dedicated taxes were both briefly discussed. Jo Johnson pointed out to me that any such ballot proposition would need to be approved by the Department of Justice and in order to provide adequate time for a DOJ's review, we would have to have something ready by the end of May. This means that we would have to have the exact ballot proposition language ready by the next meeting. That does not seem like nearly enough time to me. I think it would also be premature. There are still too many unknowns regarding this building, including whether the effort to create a recreation service area will move forward.
 7. TORA Amendments: At the last meeting the Council approved a TORA agreement with DOT/PF regarding the Deep Water Dock Feasibility Study. Last week I visited DOT/PF to talk about the steps that we would need to take to implement the TORA and get the project moving. As we were discussing this, we came across several relatively minor amendments that needed to be made. For example, we agreed that the City did not have to provide its 10% match until the notice to proceed was issued, rather than within 30 days of the signing of the TORA. I don't think these two or three changes are enough to bring the entire document back to Council again for approval, but I am willing to do so if needed and I wanted you to be aware of this development.
 8. Construction Projects: I wanted to take this opportunity again to be sure the public understands that Homer will be one large construction zone this summer. If you ever dreamed about spending the summer on a sailboat, this might be the year to do it! While all of this activity is seen by most people as a positive, it will definitely cause some inconvenience. By now, I think most folks know that all of the downtown core will be in the gas line distribution construction zone. This means detours and possible road closures. In addition to that, DOT/PF will be repaving the Sterling Highway from Anchor Point to Pioneer Ave. this year. The City of Homer also has a number of paving projects that will occur. Some of that is repaving existing roads and some is paving roads in newly approved road SADs. This is going to require patience and good humor from all of us.
 9. Harbor Construction: Much attention has been placed upon upcoming capital projects in Homer, especially the gas line. However, I think the community should be aware that approximately \$25 Million is about to be invested in the port and harbor in the next two years. This includes completion of the Spit Trail, Cruise Ship Passenger Improvements (restrooms, trails, staging area, etc) , Load and Launch Ramp Upgrades, Improvements at the Deep Water Dock, replacement of Ramp 3, replacement of a number of older floats in the harbor, water and electric for the System 5 float, and a new harbormaster's office, to name a few. These investments will create jobs, help us maintain and improve valuable infrastructure, and provide better services to the City's customers.

City Manager Wrede reported Nick has made the upgrades to the server and will contact Council this week to set up email and get tutorial help. The May 20th Worksession on the HERC building has been cancelled. The Boys and Girls Club is ceasing operations for the time being until further notice. Their decision is due to the uncertainty of HERC, their numbers are down, and they have revenue issues to work on. They hope to open a dialogue with the school district and Council could assist in that.

The Governor's picnic will be held in Homer on Thursday, July 25 from noon to 2:00 p.m. Administrative personnel and the Chamber of Commerce will be working on it. Volunteers will be needed closer to the time. Council already appropriated \$2,000 for the event. The Governor is bringing his entire cabinet. We will begin fundraising for the event with private donors being acknowledged.

There was a big meeting this morning about the gas distribution system. Public Works, Enstar, representatives of all the utilities, and contractors attended. There will be regular meetings as there is a lot to coordinate.

The Lillian Walli Estates property owners attended a community meeting to talk about the possibilities for their subdivision and how the project can move forward and be more affordable. Due to the complicated situation they may or may not end up with a special assessment district.

City Manager Wrede was in Anchorage last week. The bond bank approved the City's loan application. We are on track for a closing and bond sale in June. He met with the Department of Transportation Regional Director about Lake and Pioneer streets. Lake Street is a stip project slated for 2015. Pioneer Avenue falls under the community roads program which has limited funds. We will have to work hard to keep both streets in the headlights.

Item #6 on the Manager's report was clarified: if Council wants to put the HERC building on the fall ballot, a Department of Justice review is not required. If they want, Council still has time for the discussion.

We are going to need patience and good humor this summer due to the construction projects. The natural gas trunk line has been constructed. The pipe on Soundview is the first step in the distribution system. They will be doing 35 miles of road this summer. DOT is repaving the Sterling Highway from Anchor Point to Pioneer Avenue. Public Works has six to eight of their own paving projects. The construction provides economic activity and jobs, but it will be real inconvenient to a lot of folks.

In the next two years the harbor will see \$24M to \$25M improvements and investments.

Councilmember Howard asked that a flyer about the construction be made available for hotels and restaurants to distribute so visitors know we are concerned about the inconveniences. She asked that a storyboard be made for the harbor improvements to tell where the money came from and what is about to be improved. It will educate and inform people and show off our achievements.

Councilmember Howard noted in the outbound lane off the Spit there is one speed sign at the terminal and then there are no signs until the 45mph area. She asked for signs or paint in the pavement to post the speed limit.

Councilmember Burgess suggested painting the crosswalks more clearly to ensure that pedestrians can safely move about.

Councilmember Lewis advised people to pay attention to pedestrians and stop and let them cross.

Councilmember Burgess suggested people use their turn signals and at a four-way stop yield to the right, straight, and left.

Mayor Pro Tempore noted the 150 years of employee experience of employee's anniversaries. She wished departing Police Lieutenant Randy Rosencrans the best of luck.

B. Bid Report

CITY ATTORNEY REPORT

A. City Attorney's Report of April 2013

COMMITTEE REPORT

A. Public Arts Committee

B. Transportation Advisory Committee

C. Permanent Fund Committee

D. Lease Committee

E. Port and Harbor Improvement Committee

F. Employee Committee Report

PENDING BUSINESS

NEW BUSINESS

RESOLUTIONS

- A. **Resolution 13-047**, A Resolution of the Homer City Council Awarding the Contract for Homer Restroom Facilities Improvements 2013 to the Firm of _____ of _____, _____ in the Amount of \$_____ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Resolution 13-047(S), A Resolution of the Homer City Council Awarding the Contract for Homer Restroom Facilities Improvements 2013 to the Firm of Steiner's North Star Construction, Inc. of Homer, Alaska, in the Amount of \$949,141 and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk.

Memorandum 13-071 from Public Works Project Manager as backup.

Mayor Pro Tempore Roberts called for a motion to substitute Resolution 13-047(S) for Resolution 13-047.

BURGESS/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Roberts called for a motion for the adoption of Resolution 13-047(S) by reading of title only.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 13-044**, A Resolution of the Homer City Council Authorizing the Formation of the Webber Subdivision Road Reconstruction and Paving Special Assessment District and Authorizing the City Manager to Proceed with the Preparation and Construction of the Project. City Clerk. Recommend adoption.

Resolution 13-044(S), A Resolution of the Homer City Council Authorizing the Formation of the Webber Subdivision Road Reconstruction and Paving Special Assessment District and Authorizing the City Manager to Proceed with the Preparation and Construction of the Project. City Clerk.

Mayor Pro Tempore Roberts called for a motion to substitute Resolution 13-044(S) for Resolution 13-044.

LEWIS/BURGESS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

LEWIS/BURGESS – MOTION TO AMEND LINE 29 TO “TWO” PEOPLE TESTIFIED.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Roberta Highland thanked Council for their service and commented on Ordinance 13-11(A). The Planning Commission went through a public process, had special workshops, and sent a letter to Spit owners. It was a substantial process.

Kevin Hogan commented Council improperly reconsidered an action tonight because a motion to reconsider has to be made by someone on the prevailing side. The person that offered the motion for reconsideration voted in the affirmative.¹ As to the Governor’s picnic, he does not want fundraising going to the Governor’s reelection campaign.

Mayor Pro Tempore Roberts clarified the fundraising would be to host the Governor’s picnic.

¹ Councilmember Zak voted *no* on the motion to adopt Ordinance 13-11(A). A reconsideration can be moved only by one who voted on the prevailing side, *aye* if the motion involved was adopted, or *no* if the motion was lost.

Kevin Walker, Kachemak City resident, referenced a Kachemak Drive path flyer he submitted to Council. Their group is going to try to build the trail like HoPP with a massive citizen's organization. Although difficult, they think the path can be built for \$50,000 vs. \$374,000 with less fill. They will get it done within the confines of the trails manual.

Carey Meyer, Public Works Director, reminded everyone that now is the appropriate time to contact Enstar about a gas service line to their home or business. People in the central business district who are getting gas this year need to request service by July 1 to guarantee service this summer. After July 1 requests will take second priority and it may be fall or early winter. It is never too early to contact Enstar about your gas service.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner had no comment.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede thanked Kevin Hogan for clarification about raising funds for the Governor's picnic. He thanked him for having his back.

COMMENTS OF THE MAYOR

Mayor Pro Tempore Roberts wished Mayor Wythe the best and thanked Council for putting up with her running the meeting.

COMMENTS OF THE CITY COUNCIL

Councilmember Dolma enjoyed Francie running the meeting; she did a good job. As a member of the Planning Commission he did a lot of work and Council disregarded it or didn't understand what the background was. He thought Council made ridiculous decisions. We disregarded the Commission's hard work tonight, and he thinks it was a mistake. It is frustrating to spend hours, weeks, and months reviewing things. Someone makes a flip comment and we run the other direction. We need to be cognizant of it in the future.

Councilmember Burgess thanked Francie for a fine job. He read the Planning Commission's review of Ordinance 13-11. Every piece of backup they provided had nothing to do with

heliports, pipelines, or railroads. There was very little input on those issues. What we passed addressed all of those issues. The complaints he largely hears is that the City is overstepping and overreaching. The sign code, a quarter of what it is could accomplish 90% of what it chooses to do. Those are the kinds of things people get frustrated about when they interface with the City. If there are things we can do to not arbitrarily limit what citizens or businesses can do without a strong record, we should error on the side of caution. It helps us be more business friendly. This is still a CUP permitted activity. We haven't done anything wrong or disgraced the Planning Commission in any way. We went with 99% of what they were recommending because they spent a lot of time and effort. He appreciates their efforts. He congratulated us; Homer has a lot going for us. We heard good stuff about finances and did awesome with the State's budget. There is a lot of construction on Baycrest Hill. It is the first time since he has lived here that he has seen as busy of year coming up. There is economic opportunity for construction, awesome things going on, the Council has done some and the community has done a lot to advance us. He is grateful to live here.

Councilmember Lewis agreed with a lot of what Beau said. Council made no real major changes to the ordinance. Remember this summer to have patience when stuck waiting. Start early. He thanked Ethan and Carson for lasting through most of the meeting. As high school seniors he's sure they felt they had better things to do. He wished both the boys and girls soccer teams good luck at regions this week.

Councilmember Howard offered congratulations to Finance for such a good audit report. It is their report card and was pretty stellar. She thanked Francie for doing a good job tonight and for all the other mayoral duties she has carried on so eloquently.

Councilmember Zak commented just when you think Council has done all the difficult stuff we are faced with Ordinance 13-11. He doesn't know what the outcome will be on the reconsideration. He told Kevin Hogan a good point for bringing that up. Yesterday he had a Safeway paper bag break. He realized he needs to get some of those reusable bags. If people are not happy with the bag ordinance there is a referendum circulating that you can sign to get it on the ballot. Council does listen to the Planning Commission. A lot of the factors brought up here tonight are important. We have a wonderful community and all of us are working and making a living here. It is wonderful to see the economic development. Homer has changed for the good in the last few years, but we can't forget about the beauty that was here before all of us. How can we make this a wonderful place to live for all of us? After Hurricane Sandy they have been spending billions of dollars to rebuild the community. He looks at Homer and thinks we can look back at the Comprehensive Plan and not lose focus. We are talking about a strategic plan and CIP as we move forward. This is a city receiving awards; we do care about our community and city.

ADJOURNMENT

There being no further business to come before the Council, Mayor Pro Tempore Roberts adjourned the meeting at 8:36 p.m. The next Regular Meeting is Tuesday, May 28, 2013 at 6:00 p.m., Committee of the Whole 5:00 p.m., and a Worksession at 4:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____